

Success Story:



DistributionNOW: Turning the spotlight on innovation and efficiency for customers



Overview

DistributionNOW ("DNOW") is a leading global supplier of energy and industrial solutions, products and engineered equipment packages. From a network of locations spanning more than 20 countries and a complementary suite of online digital channels and solutions, DNOW provides thousands of products to the energy and industrial markets worldwide.

DistributionNOW reduces infrastructure costs and accelerates customer innovation by migrating SAP systems to Google Cloud with support from Premier Google Cloud partner Managecore.

Google Cloud Results

- Shifts emphasis from infrastructure management to innovation for customers
- Ensures resilience and agility during market turbulence
- Replaces upfront IT investment with predictable monthly costs
- Eliminates dependency on third-party hardware and fiber networks
- Accelerates software release management schedule from testing through production

5X improvement
in end of the
month batch
processing

Industrial companies are powerhouses that drive the global economy. With hardware and infrastructure located in some of the world's most remote regions, the sector relies on sophisticated, resilient supply chains to ensure failsafe operations..

DistributionNOW plays a leading role via distribution to this network, providing equipment and services to energy and industrial markets worldwide. In addition to thousands of stocked items, the business offers extensive logistics and supply-chain expertise that help customers operate efficiently in this fast-moving industry.

In a crowded marketplace, DNOW stands out for its ability to withstand change, passing on these benefits to customers so that they can also better manage industry turbulence. This includes the aftermath of the COVID-19 global pandemic and the resulting collapse in oil prices. “We’re constantly on the lookout for new ways to help organizations reduce their costs and increase efficiency,” says Calvin Leong, Vice President of IT, DNOW. These methods include product standardization, inventory and material management, and surplus items management and redeployment.

A central component of this strategy is the company’s DigitalNOW initiative, a platform of digital solutions, including e-commerce, that enables customers to access vital information and order products from online devices. DigitalNOW reduces costs to customers through supply chain and operational efficiencies while creating new revenue streams and opening the door to new markets.

“We have made digital and business transformation a priority as we pursue our goal to become the world’s leading supply chain management provider in the energy industry,” says Leong.



Standing out from the competition

SAP systems, including SAP Suite on HANA, play a central role in running these activities. They enable the company to handle millions of transactions, including order fulfillment and inventory logistics, with hundreds of customers worldwide. “SAP enables us to stand out from the competition and better support our clients. We wanted to push this even further by moving our infrastructure and applications to the cloud,” says Leong.

He was especially keen to move IT from capital to operational expenditure. “We were managing multiple data centers across different time zones and with different SAP systems,” says Leong.

Migrating to the cloud enables DNOW to replace upfront investment with predictable monthly fees and scale up capacity when needed. “This means we can refocus capital on our customers, respond flexibly to their needs, and add overall value to their operations,” he says.



The Google Cloud and Managecore teams help us identify opportunities for innovation based on the vast cloud resources now at our disposal. All this enables us to further enhance customer services and increase our market share.

Calvin Leong,
Vice President of IT

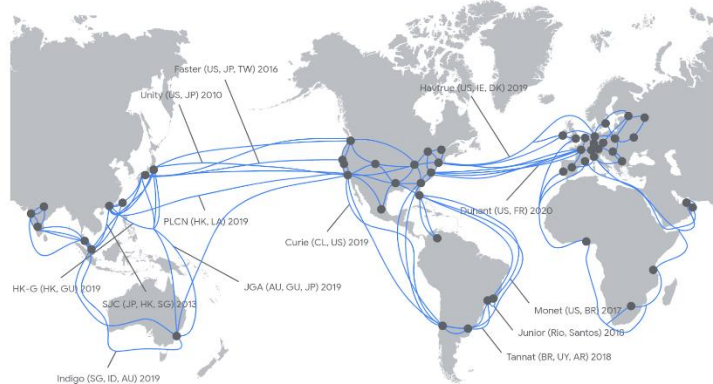


Why choose Google Cloud to host the SAP environment? “SAP is our core engine for DistributionNOW. It helps us to manage millions of transactions including order fulfillment; it is how we move our inventory and conduct electronic transactions with our customers. Google Cloud stood out for its ability to support our innovation initiatives, especially DigitalNOW, as well as robust infrastructure capabilities such as availability and a resilient network,” says Leong.

In addition, Google Cloud manages its own data centers. “With Google Cloud we have no worries about hardware compatibility issues. And with Google Fiber as the core of the network there’s no need to rely on a third-party telecommunication company for data synchronization and back up.”



Google Cloud



The choice of migration partner, Managecore, was equally critical. “We migrated the entire SAP platform of eight SAP products to Google Cloud, consolidating multiple data centers, and upgraded our database on HANA. Managecore worked closely with Google to architect the solution including implementation, project execution, and deadline management so that we could deliver the system as quickly as possible.”

DNOW also upgraded its SAP Business Suite environment to Suite on HANA on Google Cloud. The company went from a 10TB Oracle database to a 3TB HANA DB on Google Cloud with ample room for growth.

Leong was also impressed by Managecore’s SAP and Google Cloud expertise.



Managecore helped us to get through some of the toughest aspects of the migration including setting up the operating system, networking, and the SAP environment. They jumped right in and delivered a stable environment which boosted our confidence and accelerated decision making at critical moments during the project.

Calvin Leong,
Vice President of IT



When it comes to daily operations, Managecore provides much of the monitoring and support that ensures stable system performance and manageable network traffic. “With SAP running on the Google Cloud and with Managecore’s support we have peace of mind that our systems will run 24-hours a day, every day of the year,” says Leong. “This also gives us greater confidence in our release management schedule from testing through to production.”

Shifting the focus from infrastructure to customer

The move to the Google Cloud enables DNOW to put greater focus on innovation. Leong cites the company’s order management system, e-commerce and other initiatives that will further business-to-business integration with customers. “We want to turn the data into information so that we can help customers optimize their supply chains further,” he says.

Now that the SAP migration to Google Cloud is complete, Leong and his team have already noticed a tremendous improvement in performance. “Our business users report a four to five times performance improvement in terms of month-end batch processing. Everything seems to be faster right now with no unexpected downtime.”

Digital transformation doesn't end there. “The Google Cloud and Managecore teams help us identify opportunities for innovation based on the vast cloud resources such as analytics and machine learning capabilities now at our disposal. All this enables us to further enhance customer services and increase our market share.” One important area for further exploration is the embedded artificial intelligence and machine learning capabilities of Google Cloud Platform, which potentially open the door to more informed supply chain planning, demand forecasting, and warehouse management.

This matters more than ever as external forces such as climate change, pandemics, or geopolitics, shape the energy industry. DNOW is better prepared to manage the storm, while remaining agile enough to take advantage of the next upswing in the economic cycle. “



We have greater peace of mind having migrated our SAP systems to Google Cloud. With the support of the Managecore team, who ensure the stability of our platform, we look forward to creating more solutions for our customers. This is an exciting moment for us.

Calvin Leong,
Vice President of IT

Leong also has advice for other businesses running SAP. “At first glance, moving your ERP systems to the cloud might look challenging. But when you think about it from the perspective of your IT operations, you are reducing costs while improving business continuity. Moving from a capital expenditure model to operations means you, and your customers, get the most from your resources,” he says.



managecore

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